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Investment flow

(wallet and direct flows)

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Intro

LenderKit is a comprehensive platform designed to empower fundraisers in attracting investors and raising funds by listing their distinct offerings on the Investor Portal marketplace. It offers investors opportunities to diversify their investments across multiple campaigns, enabling their capital to grow efficiently. The platform provides an array of ready-made tools, allowing you to tailor the investment process to align with your business objectives, meet the regulatory requirements of different countries, and cater to investors' expectations.

With that in mind, I'd like to outline several key investment scenarios that LenderKit offers.

Glossary

Before we proceed, please take a moment to review the terms that will be referenced later in this manual.

1. **Fundraiser:** This role allows users to create offerings, gather funds, and distribute payouts to investors.
2. **Investor:** Investors with this role can browse available offerings, make donations, express interest, and invest funds to reap potential benefits.
3. **Offering:** An offering represents a business investment proposal posted on the Investment Portal. By contributing, you can become eligible for various rewards or benefits.
4. **Capitalization Types:** These refer to the specific business rules and conditions governing how a company's total financial obligations are calculated. Within the LenderKit platform, there are three default capitalization types:
 - a. **Debt**
 - b. **Donation**
 - c. **Equity**
5. **Investor Portal:** This is a marketplace for placing offerings. Registered users can create offerings to raise funds (using the Fundraiser role) or invest in available offerings (with the Investor role). Additionally, investors can sell their investments on the Secondary Market.
6. **Back Office:** The Back Office functions as a robust admin panel, providing a wide array of tools for overseeing and tailoring both the platform and the Investment Portal. Users granted access to the Back Office can create and publish offerings, oversee platform users, access financial statistics,

and more, as long as they've been authorized by the super admin with the requisite permissions.

Funding modes

The investment process represents just the visible part of the financial system in LenderKit. Below the surface, LenderKit offers a flexible system for configuring how funds are physically and technically stored and managed. Essentially, there are **two funding modes**, each with **two options for destination bank accounts**.

The two **funding modes** are as follows:

1. **Wallet Funding**: The Investment Wallet flow requires **customers to deposit funds into their e-wallets** before engaging in investments, repayments, dividend payouts, and other transactions. In this case, LenderKit functions as an online ledger for manual transactions.
2. **Direct Funding**: The Investment Direct flow allows **customers to invest funds directly** into offerings, with LenderKit serving as an online ledger for manual transactions. Investors receive payment instructions with bank account details and conduct transactions outside the platform using their preferred payment method.

Both funding modes offer two **approaches to destination bank accounts**:

1. **Mutual Payment Destination Bank Account**: In this approach, all funds are consolidated in a single bank account, typically owned by the platform.

2. **Individual Payment Destination Account for Each Customer:** Here, every participant, whether an Investor or Fundraiser, maintains their own bank account.

Before initiating the investment flow, one of these options must be selected.

Let's briefly explore how to configure each approach.

Back Office configuration

To set up the platform's financial operations, follow these steps:

Start by navigating to "**Platform > System > Modules**" in the left sidebar and enabling the **Internal Wallets module**. Click on the module's settings to activate it. This module introduces a "**Wallet**" entity to the system and aligns payment flows. Note that you should activate the Internal Wallets module if you are using Wallet Funding mode.

NOTE: You should activate the Internal Wallets module if you are using **Wallet Funding mode**.

LenderKit

the secondary market.

Dashboard

Platform

- Finance
- System
- Fees
- Configurations
- Modules**
- License
- Appropriateness tests
- Logs
- API key
- Blocked API routes
- File manager
- Forms
- Offering layouts
- Platform agreements
- Configuration status

Crowdfunding

Crash Monitoring via Sentry Integration Enabled

This module supports an integration with Sentry Crash Monitoring to trace possible errors on the platform.

Settings

Internal Wallets Enabled

With an installed Internal Wallet module, customers will have to deposit money on the e-wallet before processing investments, repayments, dividend payouts, etc. The module adds a "Wallet" entity to the system and updates the payment flows.

Settings

Back Office: List of modules

Next, **enable** the **Offline Payments Management module**.

LenderKit

Platform

- Finance
- System
- Fees
- Configurations
- Modules**
- License
- Appropriateness tests
- Logs
- API key
- Blocked API routes
- File manager

Offline Payments Management Disabled

Use LenderKit as an online ledger for your manual transactions such as bank transfers. The feature allows a platform operator to set an escrow bank account details as a payment destination for all money top-ups on the platform. These bank details are displayed as payment instructions to the customers on the Investment Portal and are sent via email additionally.

Settings

Back Office: Modules - Offline Payments Management

With this feature, the platform operator can designate an escrow bank account as the payment destination for all platform top-ups. Customers can access these bank details as payment instructions on the Investment Portal and receive them via email. Click on "Settings" to configure System bank settings and select the Payment destination from the provided options:

- **Wallet funding mode.** [Mutual Pay In](#) payment destination bank account for all customers.
- **Wallet funding mode.** [Individual Pay In](#) payment destination account for each customer.
- **Direct funding mode.** Payment **destinations are mutual** for all offerings.
- **Direct funding mode.** Payment **destinations are individual** for each offering.

Detailed instructions for setting up each of these approaches will be described in the following sections.

Wallet Funding mode

The **Wallet Funding** mode requires customers to deposit funds into their e-wallet before initiating investments, repayments, dividend payouts, and more. In this scenario, LenderKit serves as an online ledger for your manual transactions.

Mutual payment destination

When you choose the "**Mutual Pay-In**" payment destination bank account option, all platform pay-ins will be directed to a single shared bank account. To set this up, follow these steps:

The screenshot shows the "Offline Payments Management Module" settings. A "Disabled" status indicator is present. A warning message states: "Module is disabled, you can enable it at any time." The "Description" section explains the feature: "Use LenderKit as an online ledger for your manual transactions such as bank transfers. The feature allows a platform operator to set an escrow bank account details as a payment destination for all money top-ups on the platform. These bank details are displayed as payment instructions to the customers on the Investment Portal and are sent via email additionally." The "Module status" section contains "Disable" and "Enable" buttons. The "System bank settings" section includes a "Payment destination*" dropdown with two options: "Wallet funding mode. Mutual Pay In payment destination bank account for all customers." (selected) and "Wallet funding mode. Individual Pay In payment destination account for each customer." A note below states: "You have to manually add at least one payment destination bank account to each Customer in order to allow them to collect money on their e-wallets."

Back Office: module settings - System bank settings

Scroll down to the "**Mutual Payment Destination Bank Accounts**" section and click the "**Add Bank Account**" button.

Mutual payment destination bank accounts

No data yet.

The data will appear here once added.

+ Add bank account



Webhooks

Webhooks URL

https://api.gm.azcs2.lenderkit.com/v1/webhooks/system_bank/rPPqmnWFiH3UeMYW3BQS1uhTEkmIWyObSC08

Reset Secrets

Back Office: module settings

A form will appear on the right side where you can **input your bank account details**. You have the option to add multiple accounts and set one as the default by selecting the checkbox.

[Close >](#)

Bank account

Bank name

Claudia Guthrie

Bank region*

United Kingdom

Sort code

Account number

751

This is default bank account ⓘ

Currency

USD

Bank address

Address line 1*

32 North Green New Avenue

Address line 2

Rerum distinctio Quo dolor odit

City*

alabama

County / Region

Sedanimi

Zip Code / Postal Code

36925



Save

Back Office: module settings - adding a bank account as a mutual payment destination

Additionally, you can enable the **EPC QR code** feature, which simplifies the deposit process for your customers. This feature encodes payment instructions into a QR code, following [EPC QR code guidelines](#). Customers can scan the QR code using their bank app to transfer funds quickly.

NOTE: this feature is **applicable** only **to** payment destinations in **IBAN format**.

EPC QR code

This setting enables QR code for Deposit transactions according to [EPC QR code guidelines](#).

Additionally to generic payment instructions system will encode payment instructions to QR code. Customer can scan it with their bank app and send money faster.

Please note this setting works only with payment destinations added in IBAN format.

Enable EPC IBAN QR code

Cancel

Save

Back Office: module settings - EPC QR code

After configuring all settings, remember to save the changes and enable the module.

Individual payment destinations

If you choose the "Individual Pay-In" payment destination bank account option, follow these steps:

Scroll down to the **System bank settings** and select "**Individual Payment Destination Bank Accounts**" by clicking on the radio button.

With this option, platform pay-ins will be directed to separate bank accounts. In this case, you must manually add at least one payment destination bank account for each customer to enable them to collect funds in their e-wallets.

System bank settings

Payment destination*

- Wallet funding mode. Mutual Pay In payment destination bank account for all customers.
- Wallet funding mode. Individual Pay In payment destination account for each customer.

You have to manually add at least one payment destination bank account to each Customer in order to allow them to collect money on their e-wallets.

Currently you have 5 customer(s) without payment destination bank account.



Back Office: module settings - System bank settings

To check **customers** who **haven't added** payment destination **bank accounts** yet, click on the provided link in the description. This will take you to a list of these customers. Click on a specific customer to view their personal details.

Registration completed KYC approved Reuben Shaw - Individual investor - id 4 Account completeness details

⚠ Payment destination Bank account for Pay In. Failed
To add destination bank account click [here](#).

Bank accounts		Cards	Payment destination accounts
No data yet. The data will appear here once added.			
+ Add new			

Controls

Status: Registration completed
KYC status: KYC approved

Additional info

Verified e-mail
 Confirmed terms of services

Back Office: single Investor details

Click on the "**Billing Info**" tab to add the payment destination accounts. A **form** will appear on the right side, which you should **fill out accordingly**.

Close >

Add new payment bank account

Bank name

Claudia Guthrie

Bank region*

United States

Account type

Checking

Account number

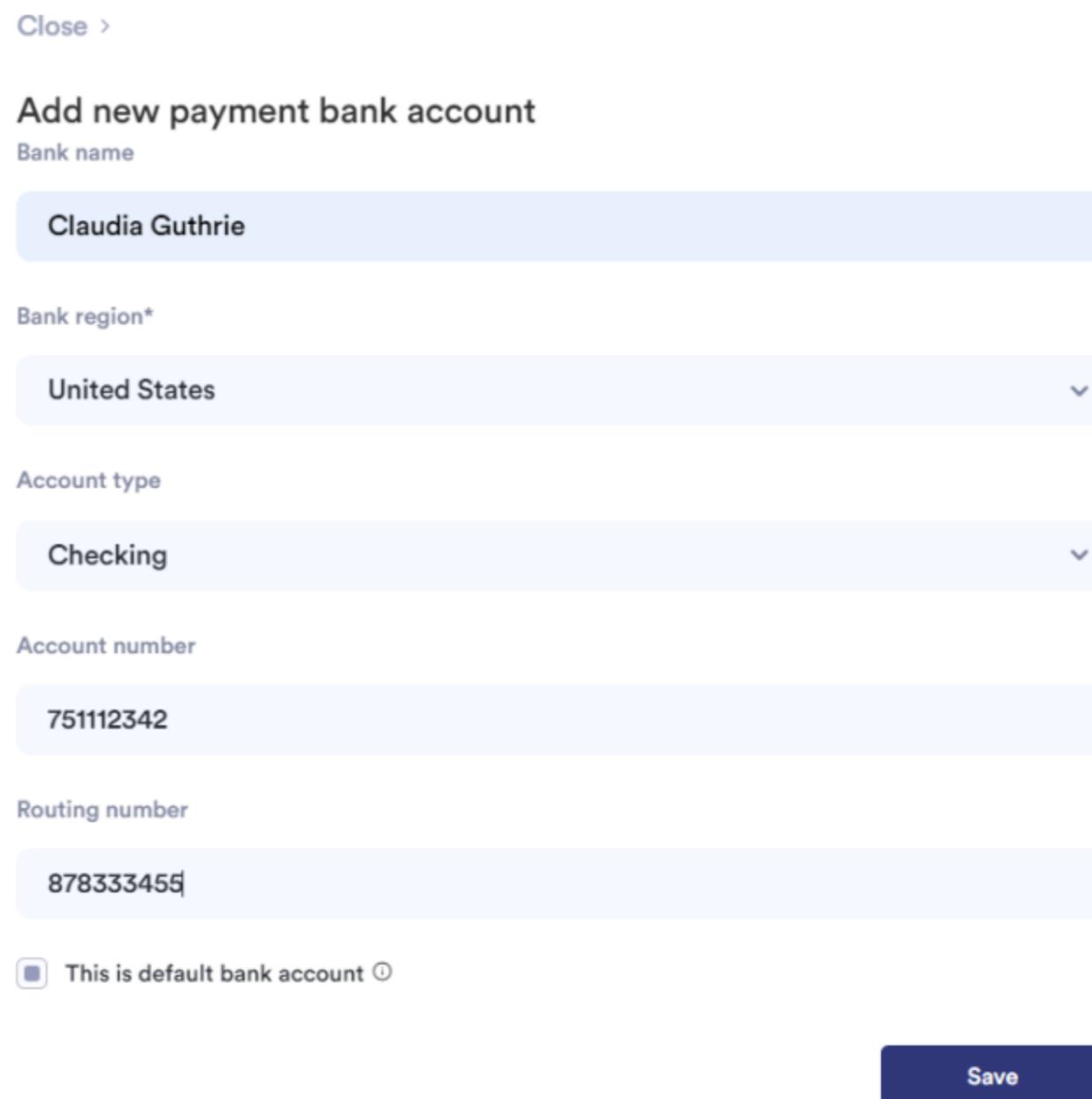
751112342

Routing number

878333455

This is default bank account ⓘ

Save



Back Office: single Investor details - adding bank account

Direct mode

The "**Direct**" flow entails customers investing money directly into the offering. LenderKit acts as an online ledger for manual transactions. In this scenario, investors will receive payment instructions containing bank account details and

must carry out the actual transaction outside the platform using their preferred payment method.

NOTE: This configuration is not compatible with the Auto Investments and Secondary Market modules.

Mutual payment destination

To configure this option, you should revisit the module settings and go to the **System bank settings**. From there, select your preferred payment destination. It's worth noting that if you opt for a **Mutual destination**, you'll need to add a shared bank account as [previously described](#).

- Direct funding mode. Payment destinations are mutual for all offerings.
- Direct funding mode. Payments destinations are individual for each offering.

You have to manually add at least one payment destination bank account to each Offering in order to allow them to collect money from investors.
Currently you have 3 offering(s) without payment destination bank account.

[Cancel](#)

[Save](#)

Back Office: module settings - System bank settings

Individual payment destinations

If you choose Individual Payment destinations for each offering, you should click on the corresponding radio button in the **System Bank Settings**.

- Direct funding mode. Payment destinations are mutual for all offerings.
- Direct funding mode. Payments destinations are individual for each offering.

You have to manually add at least one payment destination bank account to each Offering in order to allow them to collect money from investors.
Currently you have 3 offering(s) without payment destination bank account.

[Cancel](#)

[Save](#)

Back Office: module settings - System bank settings

To check the list of Offerings lacking payment destination bank accounts, **click** on the provided **link in the description**. This will **lead you to** a **list of** all such **Offerings**. Within this list, you can select a specific Offering to view its details. Please remember that you need to **manually add a payment destination bank account to each Offering** to allow investors to make contributions.

The Great Offering - id 3

Creator: Kai Pate
Organization: Madden and Bowen Traders

System bank payment destinations

No data yet.
The data will appear here once added.

+ Add new

Add new payment bank account

Bank name: Keefe Hopper

Bank region*: United States

Account type: Checking

Account number: 7543456

Routing number: 305123432

This is default bank account

Save

Back Office: Offering details - adding bank account

At this stage, access a specific offering and proceed to the **System Bank Payment Destinations tab**. A form will appear on the right side, and you should complete it accordingly.

Wallet pay in

NOTE: This chapter pertains to the **Wallet funding mode exclusively**. It provides guidance on how users can deposit funds into their accounts before participating in investment activities.

The process of **depositing money** into the platform is **similar for** both **Investors and Fundraisers** and involves the following steps. To begin, **log in** to your account on the **Investor Portal**. Next, access the left-side menu and locate the **Wallet section**. In this section, Investors can view their Wallet balance and **add** their **bank accounts**, which are necessary as destinations for withdrawing funds from the platform and receiving payouts.

LenderKit demo

Reuben Shaw
Individual investor

Dashboard

Wallet

ADD FUNDS +

WITHDRAW +

0.00 USD

Your bank accounts

There are no bank accounts

You haven't added any bank accounts here. Click button below to add a bank account.

Press here to add one

Investor Portal: personal account

When an Investor clicks on the "**Add Funds**" button, a modal window appears, prompting them to enter the desired amount and select the destination for the bank transfer. In this case, they will see the platform's bank account details.

Wallet pay in

Amount To Add To Wallet
20000 USD

Choose payment method:
Bank transfer

Bank name
Claudia Guthrie

Sort Code
234567

Account Number
75111234

 **Review**

Investor Portal: Wallet pay in flow

After clicking the "**Review**" button, the system proceeds to the next step, where the Investor can review the transaction details to ensure their accuracy. If everything appears correct, they should click on "**Make Payment**" to receive the transaction details via email.

← BACK

X

Wallet pay in

Transfer review

Please review the details below and click 'Make payment' to receive the details via email.

Amount to pay in:	20,000 USD
Payment method:	Bank transfer
Bank name:	Claudia Guthrie
Account Number:	75111234
Sort Code:	234567

 [Make Payment](#)

Investor Portal: Wallet pay in flow

Subsequently, the user will receive an **email containing payment instructions** for adding the desired amount to their wallet. These instructions enable the **user to perform the transaction outside the platform** using their preferred payment method.

Hello Reuben Shaw

We received your top-up request and will notify you when funds would have been added.

Amount: 20,000.00 USD

Payment reference:

1 (please, specify one as comment in your payment)

Bank name: Claudia Guthrie

Account number: 75111234

Sort code: 234567

32 North Green New Avenue, Rerum distinctio Quo dolor odit, alabama, Sedanimi, 36925

Thank you!

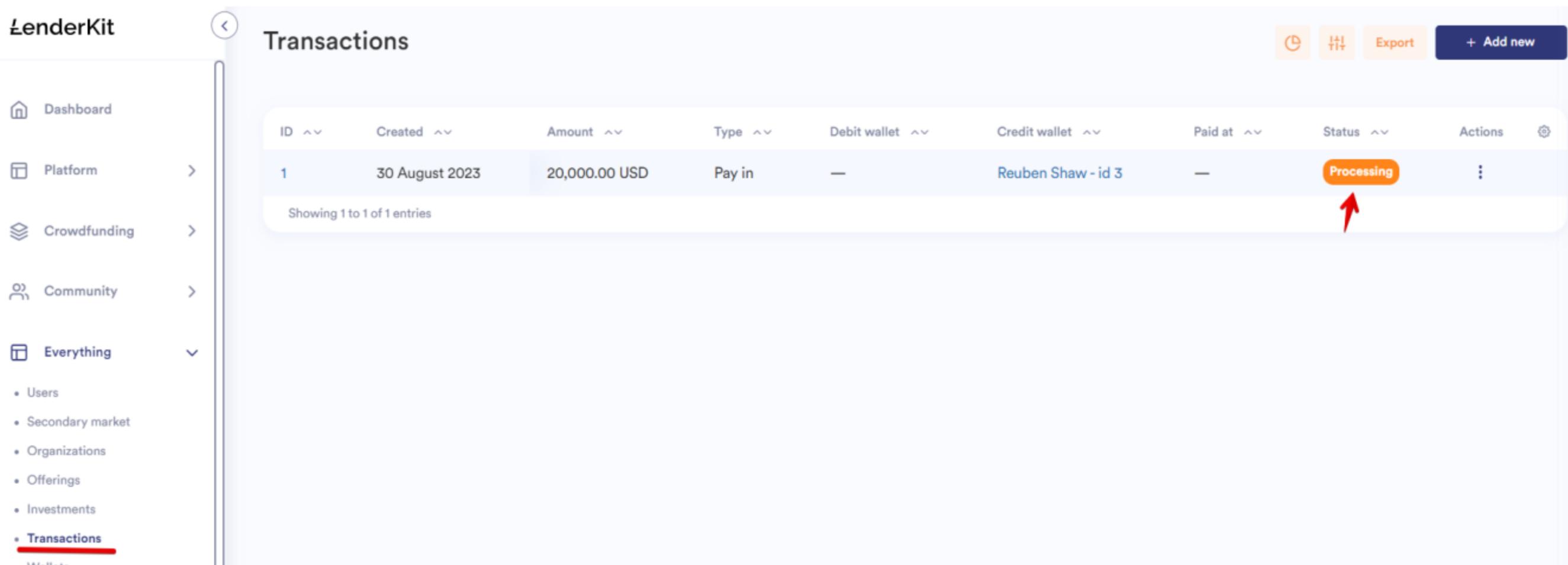
LenderKit team

Email notification

Back Office: Managing transactions

NOTE: This section covers transaction management rules that are applicable to the entire platform, encompassing both **Pay-in** and **Investment** transaction processes.

The Platform Administrator can oversee the status of all transactions by accessing "**Everything > Transactions**" from the left-sidebar menu. Here, they will find a grid displaying all transactions conducted on the platform.



The screenshot shows the LenderKit Back Office interface. On the left, there is a sidebar with various menu items: Dashboard, Platform, Crowdfunding, Community, Everything (with sub-options like Users, Secondary market, Organizations, Offerings, Investments, and Transactions), and Admin. The 'Transactions' option under 'Everything' is currently selected and highlighted with a red underline. The main area is titled 'Transactions' and displays a single row of data. The columns are: ID (1), Created (30 August 2023), Amount (20,000.00 USD), Type (Pay in), Debit wallet (—), Credit wallet (Reuben Shaw - id 3), Paid at (—), Status (Processing), and Actions. A red arrow points to the 'Status' column for the single transaction entry.

ID	Created	Amount	Type	Debit wallet	Credit wallet	Paid at	Status	Actions
1	30 August 2023	20,000.00 USD	Pay in	—	Reuben Shaw - id 3	—	Processing	

Back Office: list of transactions

Once the Platform **Administrator** (or the designated personnel) **receives payment confirmation**, they **should update** the transaction status to "**Paid**."

The screenshot shows the 'Transaction - Pay in - id 1' page in the back office. At the top, it says 'Processing'. Below that, payment session details: 'Payment session: id c653cb39-4806-45a4-b65c-7696c6e31ec5', 'Credit wallet: id 3', and 'Credit wallet user: Reuben Shaw'. The main area is divided into sections: 'Details' (Base info: Amount 20000 USD, Type Pay in; Description: empty), 'Payment configuration' (Payment provider: System bank, Payment method: Bank transfer), and 'Payment reference' (Bank name: Claudia Guthrie, Account number: 75111234, Sort code: 234567, BIC: N/A, IBAN: N/A; Regular address: 32 North Green New Avenue, Rerum distinctio Quo dolor odit, alabama, Sedanimi, 36925). On the right, under 'Controls', the status dropdown menu is open, showing 'Processing' (highlighted with a red arrow), 'Failed', and 'Paid'.

Back Office: Transaction details

Subsequently, the **user**, whether an Investor or Fundraiser, will **receive a notification** confirming that they have successfully **topped up their wallet**. They can verify this by checking their **Wallet balance**, which should reflect the updated amount **in their platform account**.

LenderKit demo

Reuben Shaw
Individual investor

Dashboard

Wallet >

Investments

Transactions history

Agreements

Notifications

Wallet

Your income to date

ADD FUNDS + WITHDRAW +

Wallet free balance

20,000.00 USD

Your bank accounts

There are no bank accounts

You haven't added any bank accounts here. Click button below to add a bank account.

[Press here to add one](#)

Investor Portal: Personal account - Wallet

Investment process

Finally, with **all modules configured** and the Wallet balance containing a **sufficient amount of money** for investment (applicable to Wallet funding mode), the Investment journey can be kicked off. Its user experience (UX) remains consistent for both modes. Therefore, the key flow of this guide is encapsulated in a single section.

The initial step of the Investment journey involves the Investor navigating to "**Open Opportunities**" from their **Dashboard** section, accessible by clicking the burger menu in the top right corner of **their Account**.

The screenshot shows the LenderKit investor portal dashboard. At the top left is the logo 'LenderKit demo'. Below it is a user profile for 'Reuben Shaw Individual investor'. A navigation bar has 'Dashboard' selected (indicated by a red underline) and 'Wallet'. The main area is titled 'Overview' and contains a message: 'There is no overview' with a subtext 'You can start to invest in open opportunities.' A green button labeled 'View Open Opportunities' is present. A red arrow points from the text 'These offerings are in the "Funding" status and are open for fund collection.' to this button. In the top right corner of the main area, there is a red arrow pointing upwards.

Investor Portal: Personal account - Dashboard

Here, they will encounter a list of available **Opportunities** ripe for exploration. These offerings are in the "**Funding**" status and are open for fund collection.

The screenshot shows the 'Our open opportunities' section. It features two dropdown filters: 'Funding Status' set to 'Active' and 'Offering Type' set to 'All'. Below these are 'Grid' and 'List' view options. A large thumbnail for a funding opportunity is displayed, showing a building facade with a 'FUNDING' and 'DEBT' overlay. The project is titled 'Cheyenne Stanley' and ends 'Till 30 September 2023'. It has raised \$0.00 USD towards a goal of \$200,000.00 USD. The address is listed as '936 Rocky Cowley Court, 88 South Fabien Road, Molestias et et porr, United States'. At the bottom, it shows a funding goal of \$200,000.00 USD and an interest rate of 5%.

Investor Portal: Open Opportunities

After conducting a thorough investigation and selecting an attractive opportunity, the Investor can **click on the chosen Offering** to delve into its details. If they are ready to invest, a simple **click** on '**Invest**' initiates the process, allowing them to **specify** the **investment amount**.

[← VIEW OPEN OPPORTUNITIES](#)

[FUNDING](#) [DEBT](#)

Cheyenne Stanley

Quia eum voluptas co.

Till 30 September 2023 Opened 6 days ago

0.5%

1,000.00 USD raised 200,000.00 USD funding goal

[Invest](#)

Investing carries risks. You may lose all of your capital.

Funding goal: 200,000.00 USD Interest Rate: 5 % Term: 12 months

Investor Portal: Offering details

[← LEAVE](#)

Confirm amount

Please enter the amount you would like to invest in this offering.

Confirm Amount
 Legal Agreement

Your Investment Amount 2,000 USD

Wallet free balance: 19,000.00 USD

Please note that you should have enough funds in your wallet to cover your investment.
Add Funds [here](#)

[INVEST](#)

Investor Portal: Investment flow

As part of the investment process, the Investor is required to confirm **the Legal agreement**, which is typically **configured during the offering creation**.



Investor Portal: Investment flow

Once all the necessary steps are completed, the **Investor** will **receive** a **notification** confirming their actions and **providing investment details**. The remaining steps to finalize the transaction are managed on the Admin side. At this stage, **Admins should follow** the **guidelines** outlined in the "[Managing Transactions](#)" section. Alternatively, Admins can check Investments by navigating to "**Everything > Investments**," where a list of all Investments is displayed in a separate group.

Upon approval and confirmation of the **investment** as "**paid**," the **Investor** will **receive** an email **notification regarding** the **status** of their **investment**.

The screenshot shows the 'Notifications' section of the Investor Portal. On the left, a sidebar lists various account management options: Dashboard, Wallet, Investments, Transactions history, Auto-investment, Agreements, and Notifications, which is the active tab. The main area is titled 'Notifications' and contains three items:

- Investment is paid**
Congratulations! Your investment has been approved. Offering name: Cheyenne Stanley Amount: 2,000.00 USD Create time: 05 September 2023
- Investment is pending**
Thank you for starting an investment. Offering name: Cheyenne Stanley Amount: 2,000.00 USD Create time: 05 September 2023
- Investment is paid**
Congratulations! Your investment has been approved. Offering name: Cheyenne Stanley Amount: 1,000.00 USD Create time: 05 September 2023

At the top of the notifications list are sorting and search controls: 'Sort By Read Status' (Read status dropdown), 'Sort By Period' (Datetime period dropdown), and 'Search Notification' (Search input field). To the right of the notifications are two buttons: 'Mark all as read' and a sort icon.

Investor Portal: Personal account - Notifications

Congratulations! The investment process is now complete.